CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM
305 WEST PINE STREET
TUESDAY, APRIL 4, 2000

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, April 4, 2000 commencing at 7:00 a.m.

ROLL CALL

Present: Council Members – Hitchcock, Land, Nakanishi (arrived at 7:04 a.m.) and Mann (Mayor)

Absent: Council Members – Pennino

Also Present: City Manager Flynn, Deputy City Manager Keeter, Economic Development Director Goehring, Community Development Director Bartlam, Police Chief Hansen, Fire Chief Kenley, Parks and Recreation Director Williamson, City Attorney Hays and Interim City Clerk Taylor

Also present was a representative from the Lodi News Sentinel and The Record.

TOPIC(S)

1. Discussion Regarding Implementation of a Survey of City Services and Projects

ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at approximately 7:52 a.m.

ATTEST:

Jacqueline L. Taylor
Interim City Clerk

CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: **Discussion regarding implementation of a survey of City projects and services**

MEETING DATE: **April 4, 2000**

SUBMITTED BY: **Deputy City Manager**

RECOMMENDED ACTION: That Council discuss conducting a citizen survey regarding City projects and services

BACKGROUND INFORMATION: Council has suggested that a survey be conducted to ascertain the community's support and interest level of certain projects and services. As such, the City Manager contacted and met with the firm of RKS Research & Consulting to discuss the semantics of surveys. RKS, in business for 27 years, is considered a leader in the field of surveys and research and has been hired in particular by municipally owned utilities and APPA, CMUA, SCPPA, and NCPA to conduct various public power studies. Members of City staff have had the opportunity to review surveys conducted by RKS and have heard presentations during APPA and NCPA conferences regarding their work.

Representatives from the firm will be in attendance at the Shirtsleeve Session to engage Council in discussion regarding developing surveys, conducting surveys, and outcome expectation of surveys. Attached is a sample of a survey conducted by RKS for SCPAA.

Funding: Not applicable

Respectfully Submitted,

Janet Keeter

Janet S. Keeter
Deputy City Manager

Attachments

APPROVED: ______________________________
H. Dixon Flynn -- City Manager

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NEW YORK
NEW JERSEY
CALIFORNIA
FLORIDA

MEMORANDUM

TO: Dan Waters, Southern California Public Power Authority

FROM: David J. Reichman, RKS Research & Consulting

DATE: November 6, 1998

SUBJECT: California Pre- and Post-Deregulation Report

This is the final deliverable promised as part of RKS 1997/1998 National Surveys.

You will recall that we interviewed samples of California residential and business customers prior to the start of choice, in Fall 1997.

In Summer of 1998, we took a second reading of business and residential customer sentiment toward deregulation. This included both re-interviewing some of the original respondents, and fresh samples.

The results are presented in the enclosed report. We decided to wait to deliver this report until the fate of Proposition 9 was determined. The report interprets the survey findings in light of the failure of Proposition 9 to pass.

RECEIVED
NOV 9 1998
SCPPA - Pasadena

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The RKS California

Pre- and Post-Deregulation

Survey Results

November 1998

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THE RKS CALIFORNIA PRE- AND POST-DEREGULATION SURVEY RESULTS

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THE RKS CALIFORNIA PRE- AND POST-DEREGULATION SURVEY RESULTS

INTRODUCTION

The following report provides California residential and business customers' attitudes, opinions, and behavior prior to restructuring and six (6) months after the implementation of choice. The initial interviews were conducted in October 1997 while the post-deregulation interviews were completed in June 1998.

In the October 1997 research, 408 residential and 478 business electric utility customers were interviewed using computer-assisted telephone interviewing (CATI). In the spring wave, 401 residential and 412 business customers were interviewed, again utilizing CATI. From the initial October 1997 respondents (886 total), 100 residential and 175 business customers were re-interviewed in June 1998 to gauge changes in opinion and behavior from the previous period.

Highlights of the findings of both the California residential and business pre- and post-deregulation interviews are presented in the following report in aggregate unless noted otherwise.

OVERVIEW

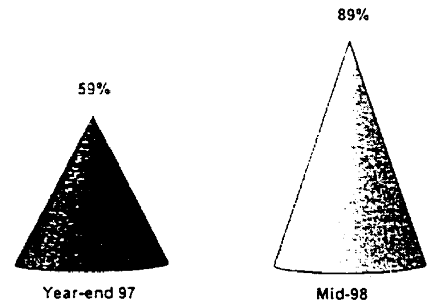
- Although deregulation educational campaigns seem to have been extensive in California, confusion among both business and residential customers still exists. Customers still feel that they do not have enough information to make an informed decision on choosing an electric supplier and continue to adopt a "wait & see" attitude before making a decisive choice.
- While most favor electric supplier choice, many residential and business customers haven't actually exercised that option. As of June 1998 only 5% of the residential customers interviewed and 2% of the businesses had actually switched providers.
- The introduction of choice seems to have increased positive price/value perceptions. Residential customers now feel that their electric service is a better value than they did prior to restructuring and that customer service has improved. Business customers are more positive toward the price of their electricity and feel that their utility values them as a customer, and is working hard to retain their business.
- Many residential customers aren't pleased with how the California Legislature and PUC have performed on deregulation. As demonstrated by their defeat of Proposition 9, however, most residential customers favor keeping the present law deregulating investor-owned utilities

CALIFORNIA RESIDENTIAL CUSTOMER SURVEY RESULTS

Awareness of Deregulation

Predictably, six months into restructuring (June 1998), the vast majority of California residential customers are aware of electric utility choice in their state. A full 89% are aware that they could now choose their electric supplier, a substantial increase from October 1997 when 59% claimed that they were aware of impending choice: **[RQ2]**

Awareness of Deregulation

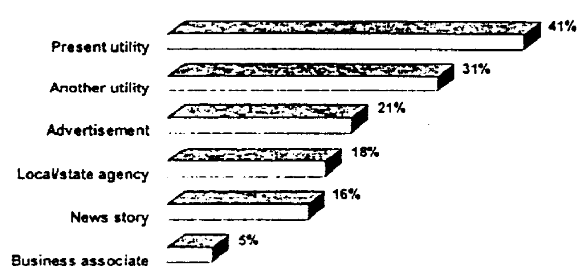


The increase in awareness is supported by an increase in the percentage of customers who received information about competition. While only 15% of those contacted in October 1997 had received information, by June 1998, almost two-thirds (61%) had. Only 3% of those who had not obtained information (or were unsure if they had) initiated efforts to obtain restructuring information. **[RQ3a, b]**

Customers receiving information on choice are divided in their assessments: 41% feel that it answered their questions while 30% claim that it raised additional questions. Over one-third (37%) feel that the information was unbiased, while 43% feel that it was self-serving. Few (3%) found it unbiased **and** self-serving. **[RQ3c, d]**

As for the source of restructuring information, the majority says they received it either from their own electric utility (41%) or a competing utility (31%). A fifth (21%) cite advertising as their information source followed by a local or state agency (18%), a news story (16%), and/or a business associate (5%): **[RQ3e]**

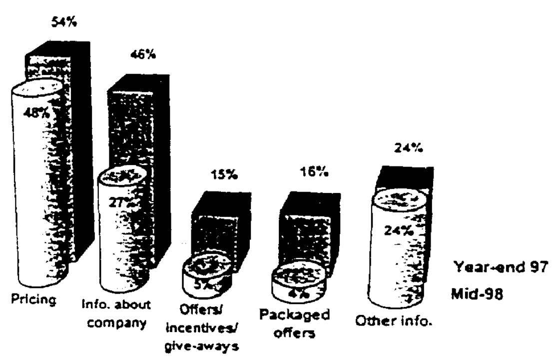
Source of Deregulation Information: Mid-98



Although most California's residential customers are aware of the changes, one-third (34%) are *still* unclear how choice will work; some 18% remain not at all clear. Only 23% feel that they have a *very clear* understanding of how choice will work (40% are *somewhat* clear). These findings are an improvement over the October 1997 results where the majority of residential customers (53%) were unclear about the mechanics of deregulation. **[RQ4a]**

Despite extensive educational and promotional campaigns in California, the majority of those interviewed in mid-1998 (53%) *still* feel that they do not have enough information to make an electric supplier decision (44% feel they do). Again, this is an improvement over the October 1997 results when only 25% felt informed enough to make a supplier decision: **[RQ4b]**

Information Needed to Make Supplier Decision



What type of information do consumers feel they need? Pricing still tops the list by almost half (48%, mid-1998; 54% Year-end 1997). Pricing information needs are followed by information about the company (27% mid-1998; 46% Year-end 1997), special offers, incentives, or giveaways (5% mid-1998; 15% Year-end 1997), packaged offers (4% mid-1998; 16% Year-end 1997), and other information (24% both mid-98 and Year-end 97).

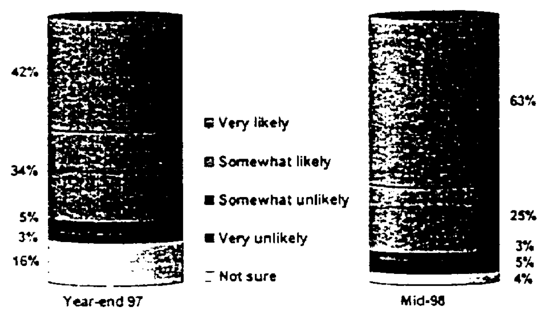
By June 1998, almost half of the residential customers (48%) had received mailings from electric companies or suppliers looking to do business with them; 44% had not. **[RQ10a]**

Switching Behavior

As of mid-1998, the majority of the California residential customers interviewed had never seriously considered switching electric suppliers (82%). Of the 16% who have considered it, only 5% (3 respondents) have actually chosen a new supplier. Among this group, one respondent is *very satisfied* with the new electric supplier, another claims that it's too soon to judge, and the third is *not sure*. **[RQ4d, e, g]**

Now that choice has become a reality, the majority of those who haven't switched electric suppliers (87%) claim they are likely to stay with their present utility. A full 63% are *very likely* to stay with their present supplier and 25% are *somewhat likely* to stay. Few (8%) are likely to switch suppliers: **[RQ6a]**

Likelihood of Continuing to Buy Power From Present Supplier



At Year-end 1997, 76% claimed that they were likely to stay with their present supplier, a number that's risen to 87% in mid-1998.

Earned loyalty among residential customers also appears to have strengthened with the implementation of choice. At Year-end 1997, only 27% claimed that they were likely to stay with their present supplier because of earned loyalty. By mid-1998, 41% feel that their utility has earned their loyalty. While over half (59%) of the Year-end 1997 respondents claimed that they would adopt a "wait and see attitude" before switching suppliers, by mid-1998 only 42% feel this way. By the same token, a higher proportion of respondents in mid-1998 don't want the hassle of making a choice (12% vs. 5% in Year-end 1997) while the same percentage (4% mid-1998; 5% Year-end 1997) find the choice too confusing. **[RQ6b]**

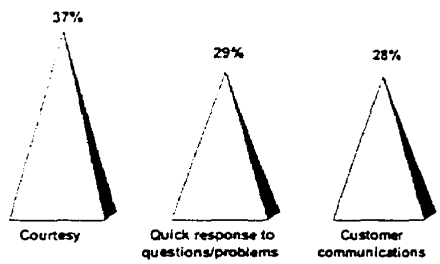
Perceptions of Electric Utility

Competition in California also seems to have improved the perceptions of residential customers toward their electric supplier somewhat. One-fifth feel that their utility is doing a better job at restoring electric power quickly (21%), providing a reliable electric supply (keeping down the number and duration of power outages) (19%), and providing useful information on when power will be restored (18%): **[RQ5a-c]**

	Better %	Same %	Worse %	Not Sure %
Restoring power quickly	21	68	1	9
Providing reliable source of power	19	75	2	5
Providing useful info on when power will be restored	18	70	2	9

However, ratings on customer service measures remain similar. One-third of California residential customers continue to rate their electric utility *excellent* at being courteous (37% mid-1998; 35% Year-end 1997). One-fourth finds their electric supplier *excellent* at responding quickly to customer questions and problems (29% mid-1998; 25% Year-end 1997), and at communicating effectively (28% mid-1998; 25% Year-end 1997): **[RQ9.1-3]**

Supplier Service Performance: Mid-98
Percent *"Excellent"*



Value perceptions have also improved from October 1997 to June 1998. One-fifth (21%) of those interviewed in the Fall considered their electric service an *excellent* value. At midyear 1998, a full 34% valued their electric service *very highly*. **[RQ7]**

Important Selection Criteria

As with the purchase of any product or service – commodity or otherwise – price tops the list as the most important consideration when selecting an electric supplier (57%). Reliability (39%), general service (25%), and customer service (10%) follow in importance after cost evaluations: **[RQ6d]**

Important Purchase Criteria	Responses %
Cost/price/rates	57
Reliability	39
Service (non-specific)	25
Customer service	10
Past history/reputation	5
Source of energy	4
Billing services	3
Environmental concerns	3
Delivery	2
Ease and convenience	2
Safety	1
Local/community company	1
All other mentions	2
Don't know	6

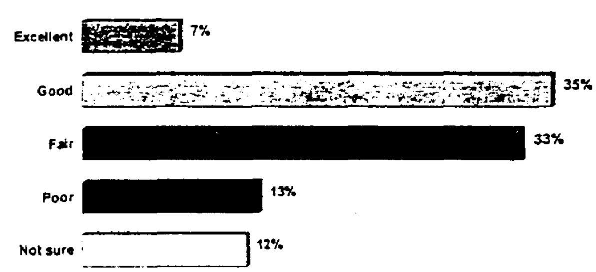
In assessing the importance of specific attributes to the process of choosing an electric supplier, overall dependability (meeting commitments), overall customer service, accurate bills, 24-hour customer service, and reputation for customer satisfaction were *very important* to over three-quarters of the respondents: **[RQ6e]**

Electric Supplier Attributes	Very Important %
Overall dependability (meeting commitments)	90
Overall customer service (billing ?s or reporting outage)	87
Bills that accurately reflect energy usage	81
24-hour customer service	79
Reputation for customer satisfaction	78
Reputation for consistently offering the best price	71
Flexibility (providing what the customer wants)	69
Company that meets all energy needs (electric & gas)	62
Overall reputation	62
Company located in California	45
Package offers	21

Perceptions of California Legislature and PUC

Residents are divided in viewing the role of the California Legislature and Public Service Commission in deregulating the state's investor-owned utilities. Only 7% of Californians rate the job done by the California Legislature and the Public Utility Commission as *excellent*, while 36% feel that they are doing a *good job*. At the other end, nearly half feel that the Legislature and PUC are doing only a *fair* (33%) or *poor* (12%) job: **[RQ11a]**

Perceptions of California Legislature and CPUC Performance: Mid-98



Despite the low approval ratings, 60% are in favor of keeping the present law regulating investor owned utilities, while 15% would like to see the law repealed. One-fourth (25%) aren't sure. These trends held through the election, with the repeal proposition losing by nearly a 4-1 margin.

CONCLUSIONS

The restructuring information campaign seems to be working in California at a surface level. While the majority of residential customers are now aware of choice, there is still confusion on how choice will actually work. Residents continue to feel that they are not knowledgeable enough to make an informed electric supplier decision. They cite a continued need for information relating to various pricing and package scenarios, as well as information about the companies offering electricity.

Part of the problem may be in the way the information is presented to consumers. Electric utilities competing for California residential customers should be pleased to hear that most customers recall receiving information from them. However, almost half of these customers feel that the information they received was self-serving and one-third claims that it raised more questions than it answered. The California Legislature and PUC are also not perceived as performing very well by the majority of residential customers in implementing deregulation. It's no surprise that residents feel that they only know part of the story. Midyear changes in the information provided on billing statements, the withdrawal of Enron from the residential market, and the widely reported financial difficulties and retreats of some of the other new electric service providers (ESPs) no doubt added to this sense of hesitancy.[1]

This lack of information, plus the absence of compelling choices and continued utility appeals to "do nothing" may have contributed to few consumers making any choice beyond remaining with their present supplier. It's too soon to tell how many plan to exercise their option. Of the very few who claim that they did consider switching suppliers, only a fraction (5%) have actually switched. The jury is still out as to how satisfied those consumers are with their new electric suppliers.

At six months into restructuring, most California residential customers expect to stay with their present supplier and appear quite satisfied with their supplier's performance. Almost half feel that their electric supplier has earned their loyalty, twice the number before the introduction of choice. Overall perceptions of power delivery and customer service have also improved, simply as a result of the change in market structure.

Value perceptions have also greatly improved with the implementation of choice. One-third now feel that their electric service is an *excellent value*, significantly more than the one-fifth that felt that way in October 1997. These positive views may result from perceived improvements to service. They may also result from consumer unwillingness or inability to choose a supplier; that is, remaining with their present

[1] For more about ESPs, see RKS Report #2516, "ESP Provider Assessment Study", October, 1998.

supplier may be the best choice available at present. Or, it may simply mean that they welcome the option to choose, even if they haven't exercised that option.

So, what does this all mean for residential customers? Some say that restructuring in California is like a party where nobody that was invited came. The introduction of a 10 percent rate reduction and a freeze on rates made the party too costly for most of the 300 electricity service providers who originally filed intentions to do business in the state; by October, that roster was down to 24, and several of these new entrants had already transferred their customers back to their original utilities. Among residential customers, everyone received a benefit, whether they attended the party or not, in the form of a rate reduction. But not everyone got an invitation to switch, or they didn't like their "date", or they're still holding out for Mr./Ms. Right; and the ranks of possible suitors are swiftly shrinking.

Overall, it appears that it is the final shape of deregulation in California that has caused the residential customer to take a "ho-hum" attitude toward choice. At present, there are no real incentives for the customer to switch, because a 10% rate reduction will result from doing absolutely nothing. Since price appears to be the greatest incentive to switch suppliers, the main reason to consider a new provider was removed. And low-cost providers have little room under the rate freeze to offer an attractive alternative; Enron and others with high hopes are experimenting with the aggregation of high-rate communities – or taking their offerings elsewhere.

Now that the electorate has sustained California's deregulation framework through the defeat of Proposition 9, residents will be able to benefit from the very gradual introduction of competition. But first, $28 billion of stranded costs need to be paid off, as well as $6 billion of bonds to compensate utilities for cost of the transition. These conditions will keep California customers and energy providers off a level playing field until 2002. Real choice – including an array of new providers with new offerings – must await the transition from a contrived to a true competitive marketplace.

CALIFORNIA BUSINESS CUSTOMER SURVEY RESULTS

Understanding of Deregulation

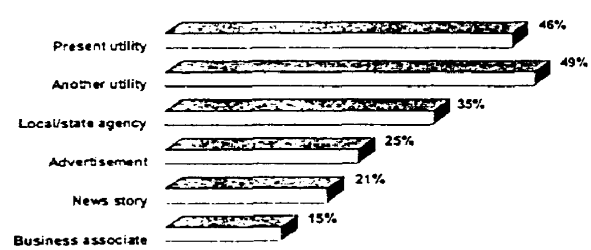
In contrast to California residential customers, the vast majority of California business customers understand how choice of electric suppliers would work in their State six months into restructuring. A full 77% of those interviewed this Spring (June 1998) say that they have either a *very* clear (31%) or *somewhat* clear (46%) understanding of how competition will work. **[BQ2a]**

Similar to the residential population, understanding of deregulation is supported by the percentage of business customers receiving information about competition. By mid-1998, 65% had received information about competition in the electric industry. Only 6% of those who had not obtained information (or were unsure if they had) initiated contact to obtain restructuring information. **[BQ5a, b]**

Half (47%) the business customers receiving information about choice feel that it answered their questions; however 30% claim that it raised even more questions. Half (50%) also found the information was self-serving, compared to one-fourth (28%) who feel that it was unbiased. **[BQ5c, d]**

The majority of the businesses received this information from their own electric utility (46%) or a competing utility (49%). One-third (35%) cite a local or state agency as the source of their information, while one-quarter (25%) cite advertising, a news story (21%), and/or a business associate (15%): **[BQ5e]**

Business Source of Deregulation Information



Advertising awareness increased dramatically over the period between Year-end 1997 and mid-1998, especially in the competitive arena. One-third of those businesses interviewed in June 1998 (35%) noticed an increase in their own utility's advertising, up from 27% who observed an increase October 1997. A full 64% noticed advertising sponsored by electric companies or suppliers other than their own, an impressive increase from the 18% who noticed competitive advertising prior to deregulation (October 1997). **[BQ6b, d]**

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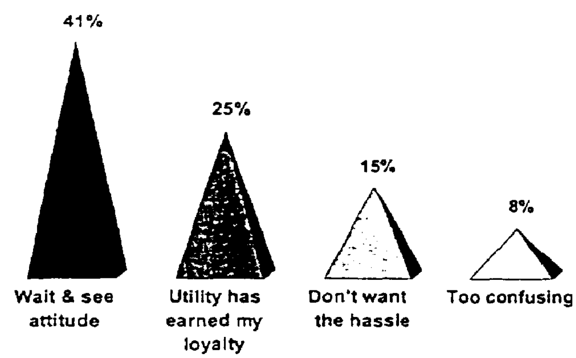
Competitive contact was also quite brisk during this same time period. By midyear 1998, almost half of the California C&I customers (46%) had been contacted by phone or in-person by electric companies or suppliers looking to do business with them, up from 20% in Year-end 1997. Most of the contact (34%) was made by competing electric utilities, firms offering energy management services (21%), independent power producers (20%), energy brokers (19%), and electric bill auditing services (18%): **[BQ6f]**

Type of Contact	Fall '97 % Responses (20% contacted)	Spring '98 % Responses (46% contacted)
Competing electric utilities	5	34
Firms offering energy mgt. services	NA	21
Independent power producers	6	20
Energy brokers	7	19
Electric bill auditing services	10	18
Energy services companies	9	17
Natural gas companies	7	10
Not sure	5	6

Switching Behavior

As predicted in the October 1997 survey, only 2% of California business customers have switched electric suppliers. The majority of those interviewed have never even seriously considered switching (75%), maintaining a "wait and see" attitude toward the option of changing suppliers (41%). One-quarter of those not entertaining the notion of switching say their utility has earned their loyalty (25%), while 15% don't want the hassle of choosing, and 8% find it too confusing: **[BQ2b, d]**

Reason for Staying with Present Supplier



Among business customers that have seriously considering switching (19%), over half plan to switch within 12 months (59%). **[BQ2c]**

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Last Fall, 68% claimed that they were likely to stay with their present supplier; in June 1998, 75% claim that they never seriously considered switching. Similar to residential customers, business customers haven't exercised their option.

Perceptions of Electric Utility

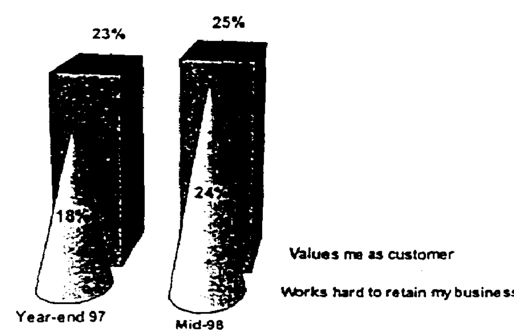
California business customers feel virtually the same toward their electric supplier now as they did prior to having the ability to choose. Overall favorability ratings remain unchanged from October 1997 to June 1998 (7.8 vs. 8.1 on a 0 (very unfavorable) to 10 (very favorable) point scale). **[BQ1c]**

Although the majority of business customers feel that both the quality and reliability of their electric power is unchanged, a few customers feel differently post-deregulation. A minority feel that both power quality (10%) and electric reliability (9%) are better now than they were prior to competition: **[BQ4b, c]**

	Better %	Same %	Worse %	Not Sure %
Quality of electric power after deregulation	10	81	2	4
Reliability of electric power post deregulation	9	82	2	4

In the same vein, more business customers today feel that their electric utility values them as a customer and works hard to retain their business, than they did prior to choice: **[BQ6a, b]**

Supplier Performance:
Percent *"Strongly Agree"*



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- sPrice perceptions have also improved significantly from Year-end 97 to mid-1998. Roughly one-third (30% Year-end 1997) had considered the cost of electricity to be *low or reasonable*; in mid-1998, 40% have favorable price perceptions. Only 17% (mid-1998) of the businesses feel that the price charged for electricity is *a lot higher than it should be*, a significant decrease from the 28% who felt that way prior to restructuring (October 1997): **[BQ4a]**

Important Selection Criteria

Overall reliability and dependability are most important to the business customer when choosing an electric supplier. Providing twenty-four hour customer service and having a reputation for customer satisfaction follow in importance after the company has met the minimum reliability and dependability standards: **[BQ3a]**

Important Purchase Criteria	Very Important %
Overall reliability	93
Overall dependability	89
24-hour customer service	78
Reputation for customer satisfaction	72
Overall reputation	58
Supplier of all forms of energy	55
Knowledge of equipment and systems	51
Local California company	38
Knowledge of customer's business	31
Active community role	27

CONCLUSIONS

Educational and promotional campaigns seem to have worked better for the business customer than for the residential market in California. Having received information about choice, the majority of business customers now understand how competition will work. However, similar to residential customers, half of the businesses receiving deregulation information feel that it answered their questions, while an almost equal number feel that it raised additional questions.

Electric utilities were the source of most of the information received by business customers between October 1997 and June 1998. Other sources include local or state agencies, advertising, news stories, and business associates. However, among all sources, half of the business customers feel that the information they received was self-serving, suggesting that the material needs improvement.

Although a mere 2% of business customers had switched electric providers by June 1998, state PUC projections are that 21% of the state's electric load will shift to new suppliers by year end. Since the impetus for restructuring came from the California Manufacturers' Association and other groups dominated by large customers, it is not surprising that a few changes account for a major shift in the market. Similar to the residential market, business customers say they want to be able to choose their electric supplier, yet only a few indicate any immediate intent to exercise that option. Only the largest multi-site operations have taken immediate action. The majority is still adopting a "wait & see" attitude toward switching suppliers and will wait at least six more months before taking any action.

What's most important to the business customer when selecting an electric supplier? Overall reliability and dependability top the list followed by 24-hour customer service and a reputation for customer satisfaction. Again, reliability and dependability appear to be the bare minimum required for consideration by the business customer. The customer service and consulting-type aspects surrounding the offering will differentiate suppliers from each other in the marketplace, thus gaining a competitive position in the customer's mind.

Surprisingly, positive price perceptions have increased significantly as the result of deregulation in California. Many more business customers feel that the cost of electricity is low or reasonable today than they did prior to choice (40% vs. 32% respectively). Likewise, more business customers today feel that their utility values them and is working hard to retain their business. The existence of choice has apparently provided California utilities with the impetus to heighten service and presence to their customers; it has also raised the bar for other entrants.

APPENDIX: THE QUESTIONNAIRES

1998 MIDYEAR RKS CALIFORNIA RESIDENTIAL
CUSTOMER ASSESSMENT TOPLINE QUESTIONNAIRE

RKS RESEARCH & CONSULTING 39 Fields Lane North Salem, NY 10560 Study No. 2450CA June 1998	**NATIONAL RESIDENTIAL CALIFORNIA OVERSAMPLE**	FOR RKS OFFICE USE ONLY – DO NOT FILL IN QUEST. NO. __________ **[01-04]**

INTERVIEWER'S NAME:____________________

OLD ID NO: __________ **[13-16]**

REPLICATE NO:__________ **[17-19]**

DATE OF INTERVIEW____________________

PAGE NO:__________ **[20-21]**

GENDER: MALE ____ -1 **/22**
FEMALE ____ -2

TIME START: ____________________ AM PM
[23-26]

INTERVIEWER: EXPLAIN WHY YOU ARE CALLING AND ASK TO SPEAK WITH "HEAD OF HOUSEHOLD" STATUS RESPONDENT.

READ: Hello, I'm, calling from RKS, a national public opinion research firm. We are conducting a survey on issues of local interest and we would like to include your opinions in the survey. This is not a sales call. No one will try to sell you anything. The survey usually takes less than 15 minutes to complete.

S1a. First, what is the name of the utility that delivers electricity to you at this location?
INTERVIEWER NOTE: RESPONDENT IS CONSIDERED A MUNICIPAL CUSTOMER IF HE/SHE SAYS "THE CITY" OR "THE PUBLIC UTILITY" OR "THE BUREAU" OR "THE ELECTRIC DEPARTMENT," ETC, BUT YOU SHOULD VERIFY WHICH CITY.

1. Now, please rate **(UTILITY FROM S1a)** overall on a scale of 0 to 10 where 0 means very unfavorable and 10 means very favorable. The more favorable you feel about **(UTILITY FROM S1a)**, the higher the number you would give. How would you rate **(UTILITY FROM S1a)** overall on a scale of 0 to 10? (RECORD BELOW) (INTERVIEWER: RECORD "98" FOR RESPONSE OF "NOT SURE")

	6/98
Mean	8.1

2. In late March, the State of California required some of the larger electric companies to compete for customers the same way long distance phone companies do. Under this plan, the larger utilities still deliver electricity to you, **but** you now have the choice of buying electricity from different companies that sell or produce power. Are you aware of this change?

	10/97	6/98
	%	%
Yes	59	89
No	40	10
Not sure (Vol.)	1	1

3a. Have you received any information about competition in the electric industry and how it will affect you?

	10/97	6/98
	%	%
Yes	15	61
No	73	34
Not sure (Vol.)	12	5

3b. (IF "NO" OR "NOT SURE" IN 3a) Have you contacted anyone to get information about choosing an electric supplier?

	6/98
	%
Yes	3
No	97
Not sure (Vol.)	-

3c. (IF "YES" IN 3a OR 3b, ASK) And do you feel the information you received answered your questions about competition or raised more questions?

	6/98
	%
Answered	41
Raised	30
Both (Vol.)	2
Have not received info as yet	4
Not sure (Vol.)	22

3d. (IF "YES" IN 3a OR 3b, ASK) And did you find the information on competition to be unbiased, or was it self-serving?

	6/98 %
Unbiased	37
Self-serving	43
Both (Vol.)	3
Not sure (Vol.)	18

3e. (IF "YES" IN 3a OR 3b, ASK) Did you receive the information on electric industry competition from **(UTILITY FROM S1a)**, a local or state agency, another utility company, a news story, an advertisement or business associate? (MULTIPLE RESPONSES PERMITTED).

	6/98 %
(UTILITY FROM S1a)	41
Local or state agency	18
Another utility	31
News story	16
Advertisement	21
Business associate	5
All of the above	2
Other (Specify)	1
Not sure/Don't know (Vol.)	13

4a. (ASK EVERYONE) How clear is your understanding of how choice of electric suppliers will work – very clear, somewhat clear, not too clear or not at all clear?

	10/97 %	6/98 %
Very clear	17	23
Somewhat clear	28	40
Not too clear	20	16
Not at all clear	34	18
Not sure (Vol.)	2	3

4b. Do you feel that you presently have enough information to make a decision on choosing an electric supplier?

	10/97 %	6/98 %
Yes	25	44
No	72	53
Don't know/Not sure (Vol.)	2	3

4c. (IF "NO" OR "DON'T KNOW/NOT SURE" IN 4b) What information do you need in order to make an informed decision about electricity suppliers? (DO NOT READ) (MULTIPLE RESPONSES PERMITTED)

	10/97 %	6/98 %
Pricing information	54	48
Packaged offers	16	4
Special offers/incentives/giveaways	15	5
Information about the company	46	27
Other (please specify)	24	24
None	-	4
Not sure (Vol.)	9	12

4d. (ASK EVERYONE) Have **you** seriously considered changing electric suppliers?

	6/98 %
Yes	16
No	82
Not sure (Vol.)	1

4e. (IF "YES" IN 4d) And as of today, have you switched electric suppliers?

	6/98 %
Yes	5
No	95
Not sure (Vol.)	-

4f. (IF "YES" IN 4e) And what is the name of the electric utility that supplies your household with electricity?

	6/98 %
Com Ed	33
PG&E	33
SDG&E	33

4g. (IF "YES" IN 4e) And how satisfied are you with your new electric supplier – very satisfied, somewhat satisfied, somewhat dissatisfied, or very dissatisfied?

	6/98 %
Very satisfied	33
Somewhat satisfied	-
Somewhat dissatisfied	-
Very dissatisfied	-
Too soon to tell (Vol.)	33
Not sure (Vol.)	33

4h. Why do you say that? (PROBE FOR SPECIFICS) Any other reason?

4i. And since you switched, have you contacted your new electric supplier for any reason?

	6/98 %
Yes	33
No	67
Not sure (Vol.)	-

4j. (IF "YES" IN 4i, ASK) Thinking of your most recent contact, how satisfied were you with the outcome – very satisfied, somewhat satisfied, somewhat dissatisfied or very dissatisfied?

	6/98 %
Very satisfied	100
Somewhat satisfied	-
Somewhat dissatisfied	-
Very dissatisfied	-
Not sure (Vol.)	-

4k. (IF "YES" IN 4e, ASK) Now, I'm going to read you a list of services that **(UTILITY FROM S1a)** has traditionally provided to you. Since you have recently switched electric suppliers, please tell me who you would call with a question about or a problem with each of the following items – **(UTILITY FROM S1a)** or **(UTILITY FROM 4f)**. The first service is (READ FIRST ITEM ON LIST) – would you call **(UTILITY FROM S1a)** or **(UTILITY FROM 4f)**?

The next one is (READ FIRST ITEM ON LIST) – would you call **(UTILITY FROM S1a)** or **(UTILITY FROM 4f)**? (CONTINUE WITH NEXT ITEM ON LIST, RECORDING ANSWERS BELOW, UNTIL YOU REACH END OF LIST)

	6/98 %	
	Utility From S1a	Utility From 4f
1. Billing questions/services	67	33
2. Metering services	100	-
3. New service connections	33	33
4. Change of address/location	33	67
5. Service/repair call	33	33
6. Report power outage	67	33
7. Other customer service issues such as tree trimming or reporting downed wires	67	-
8. Electric equipment questions	33	-
9. Energy efficiency	67	-

5. (ASK EVERYONE) For each of the following attributes, please rate whether **(UTILITY FROM S1a)** is doing a better job, about the same job or a worse job since the introduction of electric industry competition in late March. The first attribute is (READ FIRST ITEM ON LIST) – is **(UTILITY FROM S1a)** doing a better job, about the same job or a worse job?

The next one is (READ NEXT ITEM ON LIST) – is **(UTILITY FROM S1a)** doing a better job, about the same job or a worse job?

a. Providing a reliable electric supply – that is, keeping down the number and duration of power outages

	6/98
	%
Better	19
About the same	75
Worse	2
Not sure (Vol.)	5

b. Restoring electric power quickly

	6/98
	%
Better	21
About the same	68
Worse	1
Not sure (Vol.)	9

c. Providing useful information on when power will be restored

	6/98
	%
Better	18
About the same	70
Worse	2
Not sure (Vol.)	9

IF "YES" IN 4e SKIP TO 7

6a. (IF "NO" OR "NOT SURE" IN 4e, ASK) Now that most customers in California have a choice, how likely are you to continue buying your electricity from **(UTILITY FROM S1a)** for the foreseeable future – very likely, somewhat likely, somewhat unlikely or very unlikely

	10/97†	6/98
	%	%
Very likely	42	62
Somewhat likely	34	25
Somewhat unlikely	5	3
Very unlikely	3	5
Not sure (Vol.)	16	4

† Answer categories in 1997 Very likely, Somewhat likely, Not too likely, Not at all likely, Not sure

6b. (IF "VERY LIKELY" OR "SOMEWHAT LIKELY" IN 6a, ASK) And which of the following statements comes closest to describing why you are likely to stay with **(UTILITY FROM S1a)**?

	10/97 %	6/98 %
(UTILITY FROM S1a) has earned my loyalty as a customer	27	41
I would wait and see what happens before I would switch	59	42
I don't want the hassle of making a choice	5	12
It's too confusing to choose	5	4
DO NOT READ: None (Vol.)	3	2
DO NOT READ: Not sure (Vol.)	2	-

6c. (IF "I WOULD WAIT AND SEE WHAT HAPPENS BEFORE I WOULD SWITCH", "NONE" OR "NOT SURE" IN 6b, ASK) How long do you think you will wait before choosing an electric supplier – less than six months, 6 months to 1 year, 1 to 2 years, 2 to 3 years or 3 or more years?

	6/98 %
Less than six months	13
6 months to less than 1 year	45
1 to less than 2 years	17
2 to less than 3 years	3
3 or more years	5
Depends (Vol.)	10
Not sure (Vol.)	8

6d. (ASK EVERYONE IN SERIES) What is most important to you when selecting an electric supplier? (PROBE FOR SPECIFICS) Anything else?

	6/98 %
Cost/price/rates	57
Reliability	39
Service N/S	25
Customer service	10
Past history/reputation	5
Source of energy	4
Billing services	3
Environmental concerns	3
Delivery	2
Ease and convenience	2
Safety	1
Local/community company	1
Other	2
Don't know	6

6e. Please rate how important each of the following attributes is to you in the process of choosing an electric supplier. For each attribute, please tell me whether it is very important, fairly important or not important in the decision making process. The first attribute is (READ FIRST ITEM ON LIST) – is this very important, fairly important or not important?

The next one is (READ NEXT ITEM ON LIST) – is this very important, fairly important or not important? (CONTINUE FOR REMAINING ITEMS ON LIST)

1. A company that meets all of your energy needs including electricity and natural gas service

	6/98 %
Very important	62
Fairly important	18
Not important	16
Depends	1
Not sure (Vol.)	2

2. Overall dependability – that is meeting their commitments

	6/98 %
Very important	90
Fairly important	7
Not important	2
Depends	*
Not sure (Vol.)	*

* = Less than ½%

3. Reputation for consistently offering the best price

	6/98 %
Very important	71
Fairly important	22
Not important	5
Depends	1
Not sure (Vol.)	1

4. Providing bills which accurately reflect the amount of energy your household uses

	6/98 %
Very important	81
Fairly important	16
Not important	2
Depends	*
Not sure (Vol.)	1

* = Less than ½%

6e. (CONTINUED...) Please rate how important each of the following attributes is to you in the process of choosing an electric supplier. For each attribute, please tell me whether it is very important, fairly important or not important in the decision making process. The first attribute is (READ FIRST ITEM ON LIST) – is this very important, fairly important or not important?

The next one is (READ NEXT ITEM ON LIST) – is this very important, fairly important or not important? (CONTINUE FOR REMAINING ITEMS ON LIST)

5. Providing 24-hour customer service

	6/98 %
Very important	79
Fairly important	16
Not important	4
Depends	1
Not sure (Vol.)	1

6. Flexibility – that is providing what you, their customer, wants

	6/98 %
Very important	69
Fairly important	24
Not important	4
Depends	1
Not sure (Vol.)	2

7. Package offers

	6/98 %
Very important	21
Fairly important	37
Not important	30
Depends	1
Not sure (Vol.)	10

8. Company located in California

	6/98 %
Very important	45
Fairly important	22
Not important	29
Depends	1
Not sure (Vol.)	2

6e. (CONTINUED...) Please rate how important each of the following attributes is to you in the process of choosing an electric supplier. For each attribute, please tell me whether it is very important, fairly important or not important in the decision making process. The first attribute is (READ FIRST ITEM ON LIST) – is this very important, fairly important or not important?

The next one is (READ NEXT ITEM ON LIST) – is this very important, fairly important or not important? (CONTINUE FOR REMAINING ITEMS ON LIST)

9. Reputation for customer satisfaction

	6/98 %
Very important	78
Fairly important	17
Not important	4
Depends	*
Not sure (Vol.)	-

* = Less than ½%

10. Overall customer service such as billing questions or reporting an outage

	6/98 %
Very important	87
Fairly important	9
Not important	2
Depends	-
Not sure (Vol.)	1

11. Overall reputation

	6/98 %
Very important	62
Fairly important	30
Not important	7
Depends	*
Not sure (Vol.)	1

* = Less than ½%

7. (ASK EVERYONE) If value means the service you receive is worth the price you pay, please rate the value of your electric service overall on a scale of 0 to 10 where 0 means that your electric service has no value and 10 means your electric service has a very high value. The better you feel about your electric service, the higher the number you would give. How would you rate your electric service overall on a scale of 0 to 10? (RECORD BELOW) (INTERVIEWER: RECORD "98" FOR A RESPONSE OF "NOT SURE")

	6/98
Mean	8.4

IF "NO" OR "NOT SURE" IN 4e, SKIP TO Q9

8a. (IF "YES" IN 4e, ASK) Since you switched electric suppliers, do you receive one bill for your electric service, or do you receive multiple bills?

	6/98 %
One bill	33
Multiple bills	-
Have not received a bill yet (Vol.)	33
Not sure (Vol.)	33

8b. Would you prefer to receive one bill or multiple bills?

	6/98 %
One bill	100
Multiple bills	-
No preference	-
Not sure (Vol.)	-

8c. (IF "ONE BILL," "MULTIPLE BILLS" OR "NO PREFERENCE" IN 8b, ASK) Reflecting on your most recent electric bill, is your electric bill now itemized, listing your monthly customer charge, energy charge, participation discount and other miscellaneous charges as separate line items on your monthly billing statement?

	6/98 %
Yes	33
No	67
Have not received a bill yet (Vol.)	-
Not sure (Vol.)	-

8d. (IF "YES" IN 8c, ASK) Is this itemized billing format clear to you (i.e. easy to read, easy to understand, etc.)?

	6/98 %
Yes	100
No	-
Not sure (Vol.)	-

8e. (IF "YES" OR "NO" IN 8d) Why do you say that? (PROBE FOR SPECIFICS) Anything else?

8f. (ASK EVERYONE IN SERIES) Now, I'm going to read you a list of services that either **(UTILITY FROM S1a)** or **(UTILITY FROM 4f)** could offer. For each service, please tell me whether you would prefer to receive it from **(UTILITY FROM S1a)** or from **(UTILITY FROM 4f)**. The first service is (READ FIRST ITEM ON LIST) – would you prefer to receive this service from **(UTILITY FROM S1a)** or **(UTILITY FROM 4f)**?

The next one is (READ FIRST ITEM ON LIST) – would you prefer to receive this service from **(UTILITY FROM S1a)** or **(UTILITY FROM 4F)**?

ROTATE	6/98 Utility From S1a	Utility From 4f	Other (Vol.)	Dep. (Vol.)	Neither (Vol.)	Not Sure (Vol.)
1. Billing services/information	33	33	33	-	-	-
2. Metering services/information	67	-	33	-	-	-
3. New service connections	-	33	33	33	-	-
4. Change of address/location	33	33	33	-	-	-
5. Service/repair call	67	33	-	-	-	-
6. Receive power outage reports	100	-	-	-	-	-
7. Other customer service issues	-	100	-	-	-	-
8. Information on electric equipment	67	33	-	-	-	-
9. Information on energy efficiency	33	33	33	-	-	-

IF "HAVE NOT RECEIVED A BILL YET" OR "NOT SURE" IN 8a, SKIP TO Q9

8g. (IF "ONE BILL" OR "MULTIPLE BILLS" IN 8a, ASK) Based on your current electric bill, are you saving money compared to what you were previously paying for electricity?

	6/98 %
Yes	100
No	-
Not sure (Vol.)	-

8h. (IF "YES" IN 8g, ASK) And, are you saving more money on your electric bill than expected, less than expected or about what you had expected?

	6/98 %
More than expected	100
Less than expected	-
About what expected	-
Not sure (Vol.)	-

8i. (IF "MORE THAN EXPECTED," "LESS THAN EXPECTED" OR "ABOUT WHAT EXPECTED" IN 8h ASK) Why do you say that? (PROBE FOR SPECIFICS) Anything else?

9. (ASK EVERYONE) On another subject, please rate the job you think **(UTILITY FROM S1a)** does on each of the following. The first one is (READ FIRST ITEM ON LIST) – does **(UTILITY FROM S1a)** do an excellent, good, fair or poor job? (RECORD BELOW – CONTINUE)

The next one is (READ NEXT ITEM ON LIST) – does **(UTILITY FROM S1a)** do an excellent, good, fair or poor job? (RECORD BELOW – CONTINUE FOR EACH ITEM – REPEAT ALL ANSWER CATEGORIES EACH TIME)

1. Communicating effectively with customers like you

	10/97 %	6/98 %
Excellent	25	28
Good	44	47
Fair	20	19
Poor	8	5
Not sure (Vol.)	3	2

2. Responding quickly to customer questions and problems

	10/97 %	6/98 %
Excellent	25	29
Good	45	43
Fair	19	20
Poor	4	3
Not sure (Vol.)	8	5

3. Being courteous to customers

	10/97 %	6/98 %
Excellent	35	37
Good	48	45
Fair	10	13
Poor	3	2
Not sure (Vol.)	5	4

10a. Have you received mailings from other electric companies or suppliers looking to do business with you?

	6/98 %
Yes	48
No	44
Not sure (Vol.)	8

10b. How many times, if any, has your household ever changed its long distance telephone company?

	10/97 %	6/98 %
Never/None	30	36
One	22	22
Two	20	17
Three	13	11
Four	5	4
Five or more times	7	6
Not Sure (Vol.)	3	3

10c. (IF "ONE" OR MORE IN 10b, ASK) Did you change your long distance telephone company because you were dissatisfied with the old company or did the new long distance company offer you a "better deal?"

	6/98 %
Dissatisfied with old company	12
"Better deal" offered by new company	76
Both dissatisfied & a better deal (Vol.)	5
Not Sure/Don't Remember (Vol.)	7

10d. (IF "ONE" OR MORE IN 10b, ASK) Have you ever switched back to your original long distance company, the one you had before you could choose?

	6/98 %
Yes	59
No	40
Don't know/Not sure (Vol.)	1

11a. (ASK EVERYONE) In your opinion, how would you rate the job being done by the California Legislature and the Public Utility Commission in deregulating the investor-owned electric companies – excellent, good, fair or poor?

	6/98 %
Excellent	7
Good	36
Fair	33
Poor	13
Not sure (Vol.)	12

11b. And if the question about whether to keep the present law regulating investor owned utilities or repeal the law appeared on the November ballot, how would you vote – in favor of keeping the present law, or in favor of repealing the present law?

	6/98 %
In favor of keeping present law	60
In favor of repealing the present law	15
Not sure (Vol.)	25

11c. (IF "NOT SURE" IN 11b) Which way do you lean – in favor of keeping the present law, or in favor of repealing the present law?

	6/98 %
In favor of keeping present law	28
In favor of repealing the present law	6
Not sure (Vol.)	66

FACTUALS

Now, I have just a few factual questions and then we're done.

F1. Does **(UTILITY FROM S1a)** have a local office or customer service center located near your home or work?

	10/97 %	6/98 %
Yes, has	67	75
No, does not	18	13
Used to have, but closed now (Vol.)	1	1
Not sure (Vol.)	14	12

F2a. How many personal computers, if any, do you have in your home?

	10/97 %	6/98 %
1	42	48
2 or more	18	19
None	38	32
Not sure (Vol.)	2	1

F2b. Do you have access to a personal computer at work?

	10/97 %	6/98 %
Yes	56	57
No	41	42
Not sure (Vol.)	3	1

F2c. Do you have access to the internet?

	6/98 %
Yes	66
No	33
Not sure (Vol.)	1

F3a. And do you have a room or area in your home set aside as a home office?

	10/97	6/98
	%	%
Yes, have home office	42	39
No, do not	55	60
Not sure (Vol.)	3	2

F3b. (ASK IF "YES" IN F3a) Is this office used for a home-based business?

	10/97	6/98
	%	%
Yes	37	39
No	62	61
Not sure (Vol.)	2	-

F4. (ASK EVERYONE) I'm going to read a list of ages. Please stop me when I reach yours. (READ LIST)

	10/97	6/98
	%	%
18-24	10	6
25-34	22	19
35-44	25	23
45-54	15	22
55-61	7	10
62 or over	17	19
Refused (Vol.)	3	*
Mean	43	46

* = Less than ½%

F5. How long have you lived at your present address?

	10/97	6/98
	%	%
Less than 1 year	13	12
1 year or more	87	87
Not sure (Vol.)	*	1
Refused (Vol.)	1	-
Mean years	10	9

* = Less than ½%

F5a. (INTERVIEWER: IF 1 YEAR OR MORE RECORD NUMBER OF YEARS)

F6. Please stop me when I read the last grade or level of school that you completed: (READ LIST)

	10/97 %	6/98 %
1st through 8th grade	1	1
Some high school	4	4
High school graduate	20	19
Some college	25	23
Two-year college graduate	10	13
Four-year college graduate	21	21
Graduate school	9	10
Post-graduate school	6	8
Not sure (Vol.)	1	*
Refused (Vol.)	3	1

* = Less than ½%

F7a. I am going to read a list of income categories; please stop me when I reach the category that best describes where your total household income for 1997 fell before taxes: (READ LIST)

	10/97 %	6/98 %
Under $10,000	6	6
$10,000 to under $20,000	10	10
$20,000 to under $30,000	14	13
$30,000 to under $40,000	14	12
$40,000 to under $50,000	11	10
$50,000 to under $60,000	7	7
$60,000 to under $75,000	8	10
$75,000 to under $100,000	7	11
$100,000 to under $150,000	4	3
$150,000 or more	3	3
Not sure (Vol.)	2	1
Refused (Vol.)	14	13

F7b. And how many people that contribute to your household's total annual income are currently employed full-time?

	10/97 %	6/98 %
None	18	22
1	41	40
2	33	31
3 or more	2	4
Not sure (Vol.)	1	*
Refused (Vol.)	5	1

* = Less than ½%

1998 MIDYEAR RKS CALIFORNIA COMMERCIAL & INDUSTRIAL CUSTOMER ASSESSMENT TOPLINE QUESTIONNAIRE

RKS RESEARCH & CONSULTING
39 Fields Lane
North Salem, NY 10560

Study No. 2460CBN – California Business – Recontact/No Switch
June 1998

FOR RKS OFFICE USE ONLY:
DO NOT FILL IN

QUEST. NO. ____________
[01-04]

/ 05-06=1/
/07-12=2460-04

OLD ID NUMBER: ______
[13 - 16]

INTERVIEWER'S
NAME: ______________________

SAMPLE POINT NO: ______________________
[17-20]

DATE OF
INTERVIEW: ______________________

TIME START: ______________________ AM PM
[21-24]

ASK TO SPEAK WITH NAME ON LIST

Hello, my name is ____________. I'm calling from RKS Research & Consulting, a national research firm. We conducted a survey with you late last year on electric industry deregulation in California. I'd like to ask some follow-up questions.

1a. As you know, in late March, California required some of the larger electric companies to compete for customers, giving you the choice of buying electricity from different companies that sell or produce power. Have you switched electric suppliers since competition was introduced in California earlier this year?

IF "YES" IN 1a USE SWITCH VERSION; IF "NO" USE NON SWITCH VERSION

NON SWITCH VERSION

1b. What is the name of the utility that delivers electricity to your organization at this location?
INTERVIEWER NOTE: RESPONDENT IS CONSIDERED A MUNICIPAL CUSTOMER IF HE/SHE SAYS "THE CITY" OR "THE PUBLIC UTILITY" OR "THE BUREAU" OR "THE ELECTRIC DEPARTMENT," ETC, BUT YOU SHOULD VERIFY WHICH CITY.

1c. Please rate your organization's opinion of **(UTILITY IN 1b)** on a scale of 0 to 10 where 0 means very unfavorable and 10 means very favorable. How would you rate **(UTILITY IN 1b)** on this scale?
(INTERVIEWER: RECORD "98" FOR NOT SURE)

	10/97	6/98
Mean	7.8	8.1
Not sure (Vol.)	2%	1

2a. (ASK EVERYONE) How clear is your understanding of how choice of electric suppliers will work – very clear, somewhat clear, not too clear or not at all clear?

	6/98 %
Very clear	31
Somewhat clear	46
Not too clear	17
Not at all clear	6
Not sure (Vol.)	1

2b. Has **your organization** seriously considered changing electric suppliers?

	6/98 %
Yes	19
No	75
Not sure (Vol.)	6

2c. (IF "YES" IN 2b) How long do you think your organization will wait before choosing a new electric supplier – less than six months, 6 months to under 1 year, 1 to under 2 years, 2 to under 3 years or 3 or more years?

	6/98 %
Less than six months	26
6 months to under 1 year	33
1 to under 2 years	16
2 to under 3 years	2
3 or more years	5
Depends (Vol.)	8
Not sure (Vol.)	10

2d. And why do you say that? (PROBE FOR SPECIFICS) Any other reasons?

SKIP TO 3a

2e. (IF "NO" OR "NOT SURE" IN 2b) And which of the following statements comes closest to describing why you haven't considered changing electric suppliers?

	6/98 %
(UTILITY FROM 1b) has earned my loyalty as a customer	25
I would wait and see what happens before I would switch	41
I don't want the hassle of making a choice	15
It's too confusing to choose	8
DO NOT READ: None (Vol.)	6
DO NOT READ: Not sure (Vol.)	4

3a. (ASK EVERYONE) Please rate how important each of the following attributes is in the process of your organization choosing an electric supplier. For each attribute, please tell me whether it is very important, fairly important or not important in the decision making process. The first attribute is (READ FIRST ITEM ON LIST) – is this very important, fairly important or not important?

The next attribute is (READ NEXT ITEM ON LIST) – is this very important, somewhat important or not important? (CONTINUE FOR REMAINING ITEMS ON LIST)

1. A company that meets all of your energy needs including electricity and natural gas service

	6/98 %
Very important	55
Fairly important	21
Not important	23
Depends (Vol.)	-
Not Sure (Vol.)	1

2. Taking an active role in the community

	6/98 %
Very important	27
Fairly important	41
Not important	31
Depends (Vol.)	*
Not Sure (Vol.)	*

* = Less than ½

3. Overall reliability – that is providing a reliable supply of electricity including fewer and less extended electric power outages

	6/98 %
Very important	93
Fairly important	5
Not important	2
Depends (Vol.)	-
Not Sure (Vol.)	*

* = Less than ½

4. Knowledge of energy-using equipment and systems within your facility

	6/98 %
Very important	51
Fairly important	31
Not important	16
Depends (Vol.)	-
Not Sure (Vol.)	1

3a. (CONTINUED) (ASK EVERYONE) Please rate how important each of the following attributes is in the process of your organization choosing an electric supplier. For each attribute, please tell me whether it is very important, fairly important or not important in the decision making process. The first attribute is (READ FIRST ITEM ON LIST) – is this very important, fairly important or not important?

The next attribute is (READ NEXT ITEM ON LIST) – is this very important, somewhat important or not important? (CONTINUE FOR REMAINING ITEMS ON LIST)

5. Knowledge of your business

	6/98 %
Very important	31
Fairly important	32
Not important	36
Depends (Vol.)	*
Not Sure (Vol.)	1

* = Less than ½

6. Overall dependability – that is meeting their commitments

	6/98 %
Very important	89
Fairly important	9
Not important	2
Depends (Vol.)	*
Not Sure (Vol.)	-

* = Less than ½

7. Providing 24-hour customer service

	6/98 %
Very important	78
Fairly important	16
Not important	6
Depends (Vol.)	-
Not Sure (Vol.)	-

8. Company located in California

	6/98 %
Very important	38
Fairly important	25
Not important	34
Depends (Vol.)	1
Not Sure (Vol.)	2

3a. (CONTINUED) (ASK EVERYONE) Please rate how important each of the following attributes is in the process of your organization choosing an electric supplier. For each attribute, please tell me whether it is very important, fairly important or not important in the decision making process. The first attribute is (READ FIRST ITEM ON LIST) – is this very important, fairly important or not important?

The next attribute is (READ NEXT ITEM ON LIST) – is this very important, somewhat important or not important? (CONTINUE FOR REMAINING ITEMS ON LIST)

9. Reputation for customer satisfaction

	6/98
	%
Very important	72
Fairly important	23
Not important	4
Depends (Vol.)	-
Not Sure (Vol.)	1

10. Overall reputation

	6/98
	%
Very important	58
Fairly important	33
Not important	8
Depends (Vol.)	*
Not Sure (Vol.)	-

* = Less than ½

3b. Are there any other attributes that your organization believes are important for an electric supplier to possess? (PROBE FOR SPECIFICS) Anything else?

3c. What changes in your electric service, if any, have you noticed since California allowed electric suppliers to compete? (PROBE FOR SPECIFICS) Any others?

4a. On the subject of rates, do you think the price you pay for electricity today is low, reasonable, a little higher than it should be, or a lot higher than it should be?

	10/97	6/98
	%	%
Low	1	1
Reasonable	31	39
A little higher	37	34
A lot higher	28	17
Not sure (Vol.)	3	9

4b. Is the quality of the electric power your organization receives at this location, that is the lack of surges, dips, fluctuations or brief outages of less than 1 minute, better, about the same or worse than it was prior to competition?

	6/98 %
Better	10
About the same	81
Worse	2
Can't tell (Vol.)	4
Not sure (Vol.)	2

4c. And, is the reliability of electric power your organization receives at this location, that is the lack of outages lasting over 5 minutes, better, about the same or worse than it was prior to competition?

	6/98 %
Better	9
About the same	82
Worse	2
Can't tell (Vol.)	4
Not sure (Vol.)	3

5a. Have you received any information relating to competition in the electric industry and how it will affect you?

	6/98 %
Yes	65
No	32
Not sure (Vol.)	3

5b. (IF "NO" OR "NOT SURE" IN 5a) Have you contacted anyone to get more information about electric industry competition?

	6/98 %
Yes	6
No	94
Not sure (Vol.)	-

5c. (IF "YES" IN 5a OR 5b, ASK) And do you feel the information you received answered your questions about competition or raised more questions?

	6/98 %
Answered	47
Raised	30
Both (Vol.)	5
Did not receive the information as yet (Vol.)	2
Not sure (Vol.)	16

5d. (IF "YES" IN 5a OR 5b, ASK) And did you find the information on competition to be unbiased, or was it self-serving?

	6/98 %
Unbiased	28
Self-serving	50
Both (Vol.)	8
Not sure (Vol.)	14

5e. (IF "YES" IN 5a OR 5b, ASK) Did you receive the information on electric industry competition from **(UTILITY IN 1b)**, a local or state agency, another utility company, a news story, an advertisement or business associate? (MULTIPLE RESPONSES PERMITTED).

	6/98 %
(UTILITY IN 1b)	46
Local or state agency	35
Another utility	49
News story	21
Advertisement	25
Business associate	15
Other (Specify)	5
Not sure/Don't know (Vol.)	10

6a. (ASK EVERYONE) I'm going to read a series of statements. Please rate each one on a scale of 1 to 7, where 1 means you strongly disagree and 7 means you strongly agree. The first one is (READ FIRST STATEMENT ON LIST). How would you rate this on the 1 to 7 scale? (RECORD BELOW — CONTINUE FOR REMAINING ITEMS ON LIST) INTERVIEWER RECORD "8" FOR NOT SURE RESPONSE)

1. **(UTILITY)** values me as a customer.

	10/97	6/98
Mean	4.9	5.1

2. **(UTILITY)** works as hard as necessary to retain my business.

	10/97	6/98
Mean	4.6	4.8

6b. Have you noticed any increased advertising from **(UTILITY)** during the past 12 months?

	10/97 %	6/98 %
Yes	27	35
No	70	63
Not sure (Vol.)	3	2

6c. (IF YES IN 6b) What's been the main message or theme of the advertising? (PROBE FOR SPECIFICS) Any others?

6d. (ASK EVERYONE) And have you noticed any advertising from other electric companies or suppliers that are located either inside or outside California?

	10/97 %	6/98 %
Yes	18	64
No	80	34
Not sure (Vol.)	2	3

6e. (IF YES IN 6d) What's been the main message or theme of the advertising? (PROBE FOR SPECIFICS) Any others?

6f. (ASK EVERYONE) And has your organization been contacted by phone or in-person by (READ FIRST ITEM ON LIST)? (RECORD BELOW – CONTINUE FOR EACH ITEM ON LIST)

	10/97 %	6/98 %
Contacted	20	46
1. Other electric utilities	5	34
2. Independent power producers	6	20
3. Natural gas companies	7	10
4. Energy brokers	7	19
5. Electric bill auditing services	10	18
6. Firms offering energy management services	-	21
7. Energy service companies	9	17
Have not been contacted	75	48
Not sure (Vol.)	5	6

FACTUALS

F1a. Do you use natural gas at your organization?

	10/97 %	6/98 %
Yes	72	59
No	22	37
Not sure (Vol.)	5	4

F1b. (IF "YES" IN F1a) Do you use a broker or marketer to purchase natural gas?

	10/97 %	6/98 %
Yes	3	12
No	94	79
Not sure (Vol.)	4	9

F1c. When choice of electric suppliers becomes available, do you plan to purchase electricity in the same manner as you purchase gas?

	10/97 %	6/98 %
Yes	70	59
No	17	13
Not sure (Vol.)	13	28

F1d. (ASK EVERYONE IN SERIES) Over the past year, have you changed natural gas suppliers?

	10/97 %	6/98 %
Yes	*	2
No	95	97
Not sure (Vol.)	5	1

F2a. (ASK EVERYONE) What is the total number of full time employees at this location? (PROBE FOR PROPER LOCATION – RECORD BELOW) (INTERVIEWER RECORD 999998 FOR "NOT SURE" OR 999999 FOR "REFUSED")

	10/97	6/98
Mean	44	145

F2b. What was your organization's gross revenues for the latest fiscal year? Were they between (READ LIST)

	10/97 %	6/98 %
Mean ($000,000)	3.7	6.3
Refused	14	13
Not Sure (Vol.)	14	21

